

ET0142.97-003673339

## **DECISIONS OF THE BOARDS OF APPEAL**

**Decision of Technical Board of Appeal 3.4.1 dated 2 December 1999**

**T 142/97 - 3.4.1**

(Translation)

Composition of the board:

Chairman: G. Davies

Members: H. K. Wolfrum

U. G. O. Himmler

**Patent proprietor/Respondent: Stöckli Rudolf**

**Opponent/Appellant: F. Zimmermann GmbH & Co. KG**

**Headword: Apparatus for separating disc-shaped objects/STÖCKLI**

**Article: 113(1), 117(1), 117(3) EPC**

**Rule: 67, 72(1) EPC**

**RPBA: Art. 10**

**Keyword: "Public prior use" - "Non-admission by opposition division of evidence submitted and substantiated in due time" - "Substantial procedural violation (yes); remittal to department of first instance and refund of appeal fee; oral proceedings (auxiliary request) neither appropriate nor necessary"**

*Headnote:*

*EPO departments must ascertain the relevance of evidence submitted to them before deciding to admit or reject it. Only in exceptional circumstances need they not do so.*

*An opposition division's refusal to consider evidence filed in due time (eg witness testimony or inspection) thus infringes a party's fundamental rights to free choice of evidence and to be heard (Articles 117(1) and 113(1) EPC).*

### **Summary of facts and submissions**

I. On 31 January 1997, the appellant (opponent) filed an appeal against the opposition division's decision (posted on 3 December 1996) rejecting his opposition to European patent No. 0 293 608. The appeal fee was paid on the same date; the statement of grounds was filed on 22 March 1997.

II. The opposition - based on Article 100(a) EPC - challenged the whole patent, on the grounds inter alia of a novelty-destroying public prior use. The date, subject-matter and circumstances of the prior use were substantiated by reference to particular models of machines for counting, sorting and packing coins; copies of invoices and drawings, accompanied by examples of calculations, were also provided. In addition, the opponent offered witness testimony and inspection to substantiate his submissions about the development, manufacture and sale of the prior-use machines.

III. At oral proceedings before the opposition division on 6 November 1996, the appellant reiterated his request that the witnesses named in the opposition notice (and present at the oral proceedings) be heard, and that the prior-use apparatus (which he had brought with him) be inspected. He had said beforehand that he would be bringing both the witnesses and the machine to the hearing, and the

division - as is clear from the formalities officer's telephone-call memo of 28 October 1996 - had not objected.

IV. At the oral proceedings, the opposition division did not consider it necessary to hear the witnesses or inspect the machine.

It justified this by reference to its discretion under Article 117(3) and Rule 72(1) EPC, reasoning in particular that nothing in the prior-use argument seemed more relevant to the procedure than the written evidence. According to the opponent, the prior-use machines used the teaching of the documented prior art. Neither in his written submissions nor at the oral proceedings had he set out facts or arguments to suggest that taking evidence could have resulted in a different decision. There was therefore no need at this very late stage (ie oral proceedings) to hear witnesses or conduct an inspection (see points 5.1 and 5.2 of the contested decision). The division also felt that, if more than 1 000 machines had been built, then evidence in the form of assembly drawings, sketches or photographs should have been available. Nor did examination of the Office's own motion under Article 114(1) EPC require an opposition division, at the oral proceedings stage, to take evidence with a view to ascertaining further facts which might prevent maintenance of a patent but which the opponent had not presented in detail. To decide on the basis of new facts at oral proceedings would be unfair to the patentee, depriving him of his right to be heard. But to continue the proceedings in writing would unduly prolong them.

V. In the appeal proceedings, the appellant complained that the opposition division had not admitted the evidence of public prior use he had offered. This had infringed his own right to be heard under Article 113(1) EPC, and was a substantial procedural violation which had deprived him of any possibility of showing that the patented subject-matter was not novel compared with the prior use. Details of this use, and the names of witnesses, were already set out in his notice of opposition. Furthermore, both the witnesses and the prior-use subject-matter had been available at the oral proceedings. In particular, the appellant took issue with the division's

comment that the absence of an assembly drawing seemed implausible, without even the least suggestion of why it took this view.

VI. The appellant asked that the case be remitted to the department of first instance (see page 1 of his submission of 8 March 1999). His auxiliary request was for revocation in toto of the patent in suit, oral proceedings, and a decision ordering the taking of evidence, comprising an inspection of the prior-use subject-matter and the hearing of witnesses.

VII. The respondent (patent proprietor) did not comment on the request for remittal to the department of first instance.

He asked that the appeal be dismissed and the European patent maintained unamended. As an auxiliary request, he too applied for oral proceedings.

### **Reasons for the decision**

1. The appeal complies with Articles 106 to 108 and Rule 64 EPC and is therefore admissible.

#### *2. Substantial procedural violation*

2.1 Under Article 117(1) EPC, parties can freely choose the evidence they submit. In particular, they may use any of the kinds of evidence listed in that article, which include those - hearing of witnesses and inspection - offered by the appellant. It is not for the opposition division to take issue with the absence of other kinds (see T 543/95, Reasons point 2). The party's task is to offer evidence to support its arguments; the opposition division then draws on this to resolve disputed points relevant to the decision (see T 927/98, especially Reasons point 2.3).

Different types of evidence have quite different functions. In practice, for public prior use, witness testimony or inspection plays a special role: witnesses testify on the

basis of their personal knowledge, whilst inspection permits direct sensory perception of specific qualities of a device or process (see also Guidelines for Examination in the European Patent Office, Chapter E-IV, 1.2).

The board does not however agree with the appellant's claim (point 3 on page 6 of his submission of 8 March 1999) that the opposition division, in its decision rejecting the opposition, described the absence of an assembly drawing as "implausible". Nor can the board detect, in the reasons given for the decision, a criticism of the absence of other types of evidence: the division merely expressed the view that since 1 000 machines had been built it ought to be possible to submit an assembly drawing; it did not say the absence of such drawings was the reason it was refusing the evidence offered.

2.2 Citing Article 117(3) and Rule 72(1) EPC, the opposition division argued that it would hear witnesses or conduct inspections only if it "**considers it necessary**".

EPO departments do indeed have some discretion in admitting evidence offered (see T 232/89, T 674/91, T 953/90 and T 230/92 et al), for example where it is no longer needed because the fact at issue is not contested by the other party, where the decision will in any case go in favour of the party offering it, where it is submitted very late in the proceedings and is considered immaterial, or where for some other reason it cannot affect the outcome (eg evidence offered in an inadmissibly late-filed opposition).

According to established case law (eg G 7/93, OJ EPO 1994, 775, Reasons points 2.5 and 2.6, T 182/88, OJ EPO 1990, 287 and T 640/91, OJ EPO 1994, 918, Reasons point 6.3), first-instance departments exercising their discretion in certain circumstances when arriving at decisions under the EPC on procedural questions do have some leeway not subject to review by the boards of appeal: a board can object to the exercise of that discretion only if concludes that it was arbitrary, applied the wrong criteria, or ignored the right ones.

2.3 In the present case, with the opposition division finding that the documented prior art did not prevent its maintaining the patent, the allegedly novelty-destroying public prior use was material to the decision. In the board's view, the following circumstances play a special role in the decision whether or not to examine the opponent's offer of evidence more closely in order to rule on this objection:

2.3.1 The evidence was offered in the notice of opposition, and was thus submitted in due time. The opposition division's misgivings (see point 5.3 of the contested decision) that evidence taken at a late stage (in oral proceedings) and giving rise to new facts would deprive the patent proprietor of his right to be heard and unduly prolong the proceedings, if these then had to be continued in writing, are therefore beside the point. After all, the opposition division was responsible for not taking up the offer of evidence before then.

2.3.2 The offer of evidence was adequately substantiated: named witnesses could testify about the development, manufacture and sale of the prior-use machines, and the machine for inspection was clearly identified by type and serial number. Invoices were provided to support the date and circumstances of the alleged prior use. A detailed feature analysis was also submitted together with workshop drawings and specifications, reference being made to documented prior art allegedly embodied in the prior-use subject-matter. In the board's opinion, these submissions concerning the allegedly novelty-destroying public prior use put the patentee and opposition division in a position to examine their merits.

2.3.3 The evidence on offer related to the contentious aspect of the alleged prior use, namely **what** had been made available to the public. In this connection, witness testimony and inspection constitute evidence in their own right, independent of the documentary kind. For this reason alone, the board believes the opposition division erred in taking the view that the opponent's written submissions on the public prior use did not indicate any facts more relevant than the documentary evidence, and that the opponent was merely claiming that the prior-use machines functioned in accordance with the teaching of the documented prior art. Since the opposition

division, in the present case, did not find the documentary evidence conclusive, and particularly since the content of the documented prior art was disputed, it should have used the evidence offered to examine the alleged novelty-destroying public prior use. For that very reason, and because the opponent had substantiated his submission that the prior-use subject-matter embodied **all** the patent's features, the division should have taken up and scrutinised the further evidence offered. Only if it knew enough about the evidence offered to realise that it was not relevant, or was aware of circumstances which called the prior use into question, would it have been justified in rejecting it. However, the division's comments in point 5.3 of the contested decision - about the possible consequences should new facts emerge - show that it was not sufficiently convinced that the rejected evidence was irrelevant. So it is possible that if the division had admitted and considered the evidence it might have taken a different decision.

2.4 In the board's view, EPO departments must ascertain the relevance of evidence submitted to them before deciding to admit or reject it. But in the present case the opposition division rejected the evidence on the basis of mere supposition, making no attempt to assess it or its relevance to the circumstances of the prior use, even though - as shown above - there were no circumstances to justify not doing so. This refusal to consider evidence filed in due time thus infringed a party's fundamental rights to free choice of evidence and to be heard (Articles 117(1) and 113(1) EPC). Consequently, the contested decision is not only based on a misinterpretation of the EPC but involves a substantial procedural violation.

3. Under Article 10 of the boards' rules of procedure (RPBA), a board must remit a case to the department of first instance if fundamental deficiencies are apparent in the first-instance proceedings, unless special reasons present themselves for doing otherwise.

Since, in the present case, the appellant requests remittal and the board sees no reason to proceed otherwise, it therefore remits the case under Article 10 RPBA to the department of first instance for examination of the alleged public prior use in the

light of the evidence offered by the appellant under point 5 (pages 13 to 24) of the statement of grounds for the appeal, including the circumstances of that use (when? what? how? where?) and, where appropriate, the substance of the evidence.

4. Since the case is remitted to the department of first instance for further processing, with no decision on the merits, oral proceedings before the board - the auxiliary request of both parties - are neither appropriate nor necessary (see decisions T 47/94 and T 394/96).

5. Since the appeal is allowed, and the contested first-instance decision is vitiated by a substantial procedural violation, the board considers it equitable to refund the appeal fee under Rule 67 EPC.

## **Order**

### **For these reasons it is decided that:**

1. The decision of the opposition division is set aside.
2. The case is remitted for the opposition division to continue the opposition proceedings and evaluate the evidence offered by the appellant (see Reasons point 3).
3. The appeal fee is refunded.